

BILL ANALYSIS

Senate Research Center
85R12434 TJB-F

H.B. 3046
By: Dale (Schwertner)
Finance
5/16/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 3046 allows municipalities to use a combined ballot proposition to adopt, repeal, or make adjustments to municipal sales taxes. Current law allows for a combined ballot when reallocating from one dedicated or special purpose district to another, but to reallocate from a dedicated purpose fund to a municipal general fund, there would need to be two separate ballot propositions. This could result in voters approving the lowering of one tax and disapproving of the increase of another tax, ultimately causing the municipality to lose sales tax revenue or gain unnecessary tax revenue when the intent of the ballot was to swap one tax for another. H.B. 3046 allows for municipalities to use combined ballot propositions for any municipal sales tax, allowing more flexibility for municipalities while maintaining the two percent local maximum rate.

H.B. 3046 amends current law relating to combined municipal sales tax ballot propositions.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 321.409(a), Tax Code, to authorize a municipality, notwithstanding any provisions of this code or other state law, to by a combined ballot proposition lower or repeal any municipal sales tax, rather than any dedicated or special purpose municipal sales tax, including the additional sales tax for property tax relief, and by the same proposition raise or adopt any other municipal sales tax, rather than any other dedicated or special purpose municipal sales tax, including the additional sales tax for property tax relief.

SECTION 2. Effective date: upon passage or September 1, 2017.